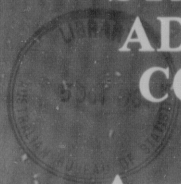


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**AUSTRALIAN  
STATISTICS  
ADVISORY  
COUNCIL**



**Annual Report  
1983-84**



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1983-84**

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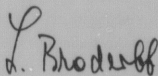
ISSN 0155-0780



The Honourable Paul Keating, M.P.  
Treasurer of the Commonwealth of Australia

I have pleasure in submitting the Report of the Australian Statistics Advisory Council for the year ended 30 June 1984.

The Report outlines the work undertaken by the Council and is submitted to you for presentation to Parliament under section 24(2) of the *Australian Bureau of Statistics Act 1975*.

A handwritten signature in dark ink, appearing to read 'L. A. Brodrigg'. The signature is fluid and cursive, with the first letter 'L' being particularly large and stylized.

L. A. BRODRIGB  
*Chairman*

15 August 1984

# MEMBERSHIP OF COUNCIL, 30 JUNE 1984

		Date first Appointed
Dr L.A. Brodribb, AM	Chairman (as from 3.8.81)	14.1.77
Mr R.J. Cameron, CB	Australian Statistician (ex officio)	
Mr O.K. Alder	Assistant Under Treasurer, Department of the Treasury, Northern Territory	26.7.83
Mrs Y.J. Bain	Vice President, National Council of Women of Queensland	14.1.80
Prof. R.J. Blandy	Professor of Economics and Director, Institute of Labour Studies, Flinders University	17.3.83
Mr W. Boetcher	Primary Industry Association of Western Australia	14.1.80
Mr W.J.C. Cushing	Director, Economic and Financial Evaluation Division, Department of the Premier and Cabinet, Victoria	17.3.83
Mr E.A. Evans	First Assistant Secretary, Department of the Treasury	10.11.81
Mr P.H. Goddard	Assistant Under Treasurer, Department of the Treasury, Tasmania	1.2.82
Mr R.E. Heasman	General Manager, TNT Australia	17.3.83
Prof. M.S.T. Hobbs	Associate Professor of Social and Preventive Medicine, University of Western Australia	14.1.77
Dr. P.D. Jonson	Chief Manager, Research Department, Reserve Bank of Australia	1.2.82
Mr J.D.S. Macleod	Group Economist, CRA Ltd	17.3.83
Mr N. Oakes	Secretary and Comptroller of Accounts, The Treasury, New South Wales	14.1.77
Mr R.N. Overall	Research Officer, Australian Council of Trade Unions	10.7.79
Mr L.G. Pitt	Deputy Chairman, Public Service Board, Queensland	10.11.81
Mr V.A. Prosser	Executive Director, Institute of Chartered Accountants	17.3.83
Mr L. Purnell	Director, Trade and Commercial Services, Metal Trades Industry Association	18.10.83
Mr R.J. Rechner	Deputy Managing Director, Corporate Ser- vices, The Myer Emporium Ltd	4.8.77
Mrs K.G. Sanderson	Director, Policy and Research Division, Treasury Department, Western Australia	1.10.82
Mr A.M. Smith	Director, Economics Unit, Department of the Premier and Cabinet, South Australia	14.1.77
Dr T.P. Speed	Chief of the Division of Mathematics and Statistics, CSIRO	7.12.83
Mr. D.I. Stanton	Acting First Assistant Director-General, Department of Social Security	1.11.81
Mr N.R. Stevens	First Assistant Secretary, Department of the Prime Minister and Cabinet	1.7.82

### Changes in membership since 30 June 1983

July 1983	Mr O.K. Alder appointed to succeed Dr N.R. Conn
October 1983	Mr L. Purnell appointed
December 1983	Dr T.P. Speed appointed

Note: In this Report, after the first reference, the Australian Bureau of Statistics is referred to as the ABS or the Bureau, and the Australian Statistics Advisory Council as ASAC or the Council.

## INTRODUCTION

The Australian Statistics Advisory Council was established by the *Australian Bureau of Statistics Act 1975*.

This is the eighth Annual Report of the Council, and is made in accordance with section 24(2) of the Act which provides that: 'the Council shall, as soon as practicable after 30 June in each year, prepare and submit to the Minister, for presentation to the Parliament, a report relating to matters connected with the operation of this Act'.

Under section 18(1) of the *Australian Bureau of Statistics Act 1975* the Council is to advise the Minister and the Statistician on:

- (a) the improvement, extension and co-ordination of statistical services provided for public purposes in Australia;
- (b) annual and longer term priorities and programs of work that should be adopted in relation to major aspects of the provision of those statistical services; and
- (c) any other matters relating generally to those statistical services'.

The Act enables the Minister or the Statistician to seek the advice of the Council on these matters. The Council also offers advice on these matters to the Minister or the Statistician when it considers it appropriate to do so.

The Act provides that the Council shall consist of a part-time Chairman, the Australian Statistician (ex officio), and between ten and twenty-two part-time members, including one nominee of each State Premier. The Chairman and members are appointed by the responsible Minister—currently the Treasurer—for periods of five years and up to three years respectively, and are eligible for reappointment.

The Chairman receives an annual fee, set by the Remuneration Tribunal, and members are reimbursed their travel costs, where applicable. Expenditure during 1983-84 totalled \$27,622.

Secretariat and administrative support for the Council's activities are provided by the ABS. The secretary of the Council is the Assistant Statistician, Co-ordination Branch, whose address is P.O. Box 10, Belconnen, 2616 (telephone (062) 52 5256).

## SUMMARY OF THE YEAR'S ACTIVITIES

During 1983-84 the Council met on 4 August 1983 and 10 November 1983. This report comments on the significant items considered. The Minister Assisting the Treasurer, the Hon. Chris Hurford, M.P., has taken an active interest in the activities of the Council. At the August meeting he thanked Council members for the contribution being made to official statistics and assured Council of his continuing interest and that of the Government in the work of the Council and the ABS.

### **ABS work program, 1984-87**

Council considered the proposed ABS forward work program, staff estimates and resource requirements for 1984-87. It also kept under review work included in the 1983-86 forward work program.

Council in general concluded that, while every effort should be made to accommodate justified new demands for statistics in the 1984-87 forward work program, the broad aim should be to work within a steady level of resources. In order to do so, it was necessary to consider the relative priorities of new and ongoing work and the associated allocation of resources between them.

Given the wide range of activities covered by the 35 programs and 117 component projects in the total ABS work program, Council found it difficult to form a view on priorities. Council requested that in future years the ABS provide more information on the main uses of statistics compiled currently, or proposed for the future, to enable Council to examine a wider range of options in the forward work program.

Council also examined the extent to which the ABS was responding to new demands for statistics. It noted that the statistical collections included in the work program varied substantially from year to year, including improvements or extensions in ongoing statistical series which were not reflected in the program documentation because they did not involve substantial changes in resources.

In considering the various proposals vying for a place in the forward work program, Council gave particular attention to the following aspects of existing and proposed new activities.

Questions were raised about the justification for the continuation of annual censuses of agriculture and manufacturing, which use substantial resources. It was suggested that inordinate emphasis was given to these traditional sectors of the economy compared with statistics on other sectors of increasing importance, particularly the service industries. A question was also raised as to whether the needs of users of manufacturing and agricultural statistics could be met by alternative collection arrangements, involving fewer resources, through less frequent censuses and greater use of sample surveys.

In response, the ABS reported that both censuses had been subject to reviews in recent years. These had demonstrated continued strong demand for both agricultural and manufacturing industry statistics by Federal and State governments and other organisations. Collections are being undertaken to measure the cost of legal services and of services provided by real estate agencies associated with real estate transfer transactions, and the collection in the retail sector has been extended to several service areas. It was also mentioned that the nature and structure of some service industries do not lend themselves easily to statistical collections; most enterprises are small and resist completing statistical returns. However, the ABS was investigating various options, regarding industry scope and methodology, for increasing its statistical coverage of service industries.

Regarding the scope for less frequent censuses and more use of intermittent sample surveys, the ABS pointed out that the heterogeneous nature of manufacturing limited the potential for using sample surveys to provide the level of detail sought by users, particularly for commodities and regions. The manufacturing censuses are necessary for maintaining up-to-date coverage for the monthly and quarterly surveys of the production of manufactured commodities. In these circumstances, it was doubtful whether increased use of sampling methods would result in significant resource savings. However, the homogeneity and/or number of businesses in other industries, such as retail, wholesale, construction and transport, had enabled the ABS to adopt a sampling approach.

The ABS reported that overseas practices regarding annual censuses and surveys of manufacturing industry varied considerably and that because of the different circumstances which each country's system served, it was difficult to apply such practices to Australian conditions or even to make direct comparisons.

Council supported the large and increasing proportion of ABS resources being devoted to manpower statistics, in view of the importance of this aspect of the economy. However, demands for manpower statistics continued to outstrip the ABS capacity in this area. Council supported the ABS intention to review operations in 1984 with a view to ensuring that resources are being put to optimum use.

Council considered the following alternatives for conducting the next retail industry statistics collection:

- . Conduct the collection in respect of 1984-85 by deferring the construction industry survey (by one year, to 1985-86). This would effectively reverse the planned order of the retail and construction collections.
- . Delay the collection by one year, conducting it in respect of 1986-87.
- . Conduct the collection, as planned, in respect of 1985-86.

After examining the consequences of each alternative in some detail, Council agreed to support the conduct of the retail industry collection in respect of 1985-86 notwithstanding the fact that the substantial additional resources required would coincide with the even greater resources needed during 1986-87 for the 1986 Population Census.

Questions were raised in the Council about the priority proposed by the ABS for:

- . Public sector debt statistics.
- . A supplementary manufacturing collection for input/output statistics.
- . Foreign participation studies.
- . Mining exploration statistics.
- . Reintroduction of an annual agricultural finance survey.

Council urged that higher priority be given to an enhanced capacity for special supplementary surveys in the household survey program. Council also supported an extension of the quarterly collection in the construction (other than building) industry to include the public sector.

Other areas to which Council considered the ABS should pay particular attention included statistics on stocks, gross operating surplus, international investment and the invisible items in the balance of payments.

Council requested the Statistician to give careful consideration to these points before finalising the program submitted to the Minister.

### **Interviewer survey program**

Council's advice was sought on the topics to be covered in the program of future surveys using field interviewers and on whether the current capacity of the ABS to conduct surveys was appropriate in relation to the demands placed upon it.

Regarding the proposed program for monthly supplementary surveys up to December 1985, concern was expressed at the proposed deferment of the child care survey to June 1985. This would have meant that, apart from some data on child care available from the 1982 Family Survey and the 1984 Household Expenditure Survey, no comprehensive data would have been collected since 1980 in an area which was subject to considerable change and widespread interest, and involved Government policy affecting considerable public expenditure. It was suggested that this topic should be brought forward to 1984, a suggestion subsequently adopted at the cost of surveys of re-entrants to the labour force and underemployment being deferred to May 1985, and an occupational health survey being deferred pending a pilot test on its suitability for a monthly survey.

Some members expressed interest in the inclusion in the program of a collection of panel (longitudinal) data of the type which had been conducted in the United States for some years. In view of the high costs involved in collecting such data and of other competing demands for resources, it was considered that this sort of collection could not be accommodated in the survey program. Council discussed other cheaper options through which the ABS might produce comparable data, involving the linking of population census and interviewer survey data and further development of survey methodology. Because of existing commitments it would be about a year before the ABS could complete the necessary investigations of the viability of such an approach.

During Council discussion of the survey program considerable importance was attached to regional data on unemployment. Council was informed that the ABS was investigating the possibility of obtaining regional estimates of reasonable reliability from the monthly labour force survey data.

Regarding special supplementary surveys (SSSs) Council was presented with two alternative proposed programs for 1985-91—one based on the current level of survey resources, and the other based on obtaining a fifty per cent enhancement of survey resources which would enable the SSS capacity to be increased from one a year to three every two years.

Among the various topics proposed for the SSS program, conduct of an income survey earlier (than during 1986-87 as proposed), to maintain the availability of income data at three-yearly intervals, together with the inclusion of data on housing costs in income surveys, were considered essential for studies of poverty levels, the delivery of welfare services, etc. It was also suggested that the handicapped and aged persons survey should be brought forward to 1988-89.

However, this would mean displacing the health survey, for which a strong case could be made for even earlier timing than was presently scheduled. While it was too early to clarify what health data might be available from the new Medicare system, it was envisaged that it would complement rather than replace the health survey as a source of statistics on this subject. It was also suggested that the next household expenditure survey needed to be expanded to meet the requirements of the social welfare policy area.

Council noted that a survey designed to provide details about the time occupied by various activities (a 'time use' survey) was included in the proposed program on the basis of interest which had been expressed only in general terms at this stage, and was therefore subject to more investigation by the ABS regarding its purpose and feasibility. Its inclusion in the proposed program was causing the health and handicapped surveys to be scheduled later than some members would like.

This situation illustrated the dilemma faced in the SSS program of whether to repeat topics which had been the subject of previous surveys in order to provide time series statistics, or introduce topics which had not been surveyed previously. Council will review the issues again when results are available of a feasibility study on time use, when the availability of data from Medicare can be assessed and any further submission relating to health and education topics can be taken into account. Meanwhile development of the energy and income surveys will be regarded as commitments.

### **Household Expenditure Survey**

Continuing its close interest in the 1984 Household Expenditure Survey, Council reviewed test questionnaires, the outcome of pilot tests, the general reaction of respondents and the steps taken by the ABS to gain the understanding and cooperation of respondents.

### **1986 Population Census**

Council considered progress on development of the 1986 Population Census, including topic testing and evaluation, the work of the committee investigating the collection of ethnicity data, consultations with users and preliminary proposals on data output. Council will take an increasing interest as plans for the Census progress, including a review of the proposed topics before their submission to the Government and plans for a publicity campaign.

### **Developments in transport statistics**

In considering a paper on current and planned activities on transport statistics, Council welcomed developments towards satisfying statistical requirements in a vital area of the economy.

Regarding the need for information on stocks of, as opposed to expenditure on, transport capital, Council was informed that the 1983-84 Transport Industry Survey (TIS) will provide some data on vehicles for those industries covered by the survey. However, it will not provide comprehensive information on stocks of transport capital and in particular the stock of capital infrastructure required to support transport activities, as most of the organisations which produce and maintain this infrastructure were outside the coverage of the proposed TIS collection (e.g. port authorities, Departments of Main Roads and the Department of Aviation).



In view of the significance of transport costs in the operations of industry generally, a number of members supported the proposal to obtain information on the main components which contribute to the cost structures of the different areas of transport. At the same time it was recognised that, because of the structure and operations of the transport industry, it was difficult to obtain this information in respect of all areas of transport, some more than others.

In view of the fragmented nature of much of road transport activity, particularly the extent of small operators, Council inquired about ABS methods of achieving comprehensive coverage in the forthcoming TIS. It was informed that the ABS business register provided the source of coverage for businesses primarily engaged in most modes of transport. However, coverage of the large number of small road transport operators was particularly difficult and for this area the ABS had developed sampling techniques using State vehicle registration systems which would ensure adequate coverage of this component of the road freight transport industry.

Members supported the need for statistics on interstate passenger and commodity flows but recognised that, by the very nature of transport operations, much of this information was not available from transport businesses. Similarly, because of the wide areas over which many major transport businesses operated, it was not possible to collect meaningful industry data on a regional basis.

Members commented favourably on the development of a framework within which transport statistics could be further developed, and on the development of mechanisms for consultation between the ABS and suppliers and users of transport data.

#### **Education statistics**

Arising from a paper on education statistics, Council encouraged the ABS to pursue its efforts with education authorities to achieve greater standardisation of statistics. Council emphasised the desirability of attempting to measure the costs and effectiveness of education in different categories of schools and in different fields of study. It noted that the current statistics tended to be aimed at the requirements of educationalists and were generally oriented towards the inputs rather than the outputs of education systems. Greater emphasis on the needs of the community for judging the effectiveness of the education systems was desirable, although the difficulty in formulating performance indicators was recognised.

Differing views were expressed on the extent to which the ABS could or should attempt to widen the uses for which education statistics were designed or orient its statistics towards evaluation of the education system. The need was also expressed for statistics on the socio-economic status of parents of children in different categories of schools, which could provide clearer links between education and occupations subsequently entered.

The ABS reported that there was scope for bringing together education and related statistics from various sources, but this required skilled resources which were not readily available. There is currently in the work program a project to produce a social report on youth. This report (which is scheduled for the fourth quarter of 1984) will bring together statistics on persons aged 15-24 relating to a number of areas of social interest and concern, particularly education and manpower.

### **Foreign participation statistics**

Council considered a paper on foreign participation statistics, which had recommenced in 1982, including a future program of foreign participation studies which would be reviewed annually in the light of progress made and any changes in user preferences.

Council noted the intended ABS approach to a study in respect of the agricultural sector and some of the difficulties which could be encountered, such as determining beneficial ownership of land. Concerning statistics for the service industries, Council noted that the range of industries and activities for which foreign participation studies could be undertaken was generally limited to those covered by the ABS program of economic censuses and surveys. This was because the methodology used to produce foreign ownership and control statistics involved the further cross-classification of operations data, available only from these censuses and surveys, by foreign ownership and control characteristics.

### **Australian Standard Classification of Occupations**

Council considered a paper on the new Australian Standard Classification of Occupations which is being developed jointly by the ABS and the Department of Employment and Industrial Relations.

Some concern was expressed about the extent of consultation with professional bodies, the degree of detail in the finest level of the classification and the feasibility of collecting statistics at this level. The ABS reported that the most detailed level was being developed primarily for the administrative purposes of the Departments of Employment and Industrial Relations, and Immigration and Ethnic Affairs. The ABS is proceeding with pilot testing of the application of the classification for statistical purposes which will determine the levels of the classification adopted. Similarly, investigation and consultation with users is proceeding to determine what alternative structures for the classification might be necessary.

### **Public relations**

Council maintained its interest in the ABS public relations unit, which it had been instrumental in establishing two years ago. Council supported the main initial thrust of public relations which had been towards improving the understanding by respondents of the purpose of statistical collections which, in turn, was aimed at improving the quality and timeliness of the collected data. Council noted other initiatives to develop in ABS staff the skills and attitudes needed for a high standard of relations with and service to the public. It also emphasised to the ABS the need to ensure that its approach to public relations remains outward looking.

### **General**

No requests for access to documents under the *Freedom of Information Act* 1982 were received during the year.

In addition to its continuing attention to the overall ABS work program, matters which Council will pursue in 1984-85 include the 1986 Population Census, household surveys, and statistics on science and technology, manpower and construction.

The Council wishes to acknowledge the help received from the Statistician and his officers in providing detailed information, and the courtesy and efficiency with which secretariat and other services have been made available.

